

ORIGINAL



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SOUTHLAND SANITATION, CO.  
2730 East Broadway, #135  
Tucson, Arizona 85716

06

December 7, 2005

Arizona Corporation Commission  
Att: Docket Control  
1200 W. Washington  
Phoenix, AZ 85007

**Re: Southland Sanitation, Co.**  
**SW-02390A-05-0097**

Dear Madam or Sir:

Enclosed please find a letter dated November 8, 2005, from Charles Potucek, City Manager of Sierra Vista, Arizona, in which he addresses the City of Sierra Vista's provision of sewer service to the portion of the Southland Sanitation Co. service area which we have petitioned to be deleted in the above matter. Please address any questions to me or Mary Jacobs, Assistant City Manager for the City of Sierra Vista, Arizona, at 1011 N. Coronado Drive, Sierra Vista, Arizona 85635.

Very truly yours,

*Sidney N. Mendelsohn, Jr.*  
(lae)

Sidney N. Mendelsohn, Jr.

SNM:lae  
Enclosure  
c, w/encl.: Mary Jacobs

AZ CORP COMMISSION  
DOCUMENT CONTROL

2005 DEC -9 P 2:52

RECEIVED



# City of Sierra Vista

November 8, 2005

Sidney N. Mendelsohn, Jr.  
Southland Sanitation, Co.  
2730 East Broadway Blvd., Suite 135  
Tucson, Arizona 85716

Dear Mr. Mendelsohn:

This letter is to confirm my intention to recommend to the City Council an agreement that would result in the City purchasing the Southland Sanitation, Co.'s existing infrastructure and its service area, with the exception of approximately 100 acres as located on the attached map.

Not later than December 31, 2006, the City will construct the additional sewer infrastructure required to serve the entire Southland Sanitation, Co. service area beyond that being constructed by D.R. Horton for the Sanitation Co.'s area already authorized by the Corporation Commission for service by the City. This additional infrastructure has already been engineered, and the Upper San Pedro Partnership has authorized funding for its construction, as the service change will result in the effluent being recharged at the City's Environmental Operations Park. The agreement will also specify that within one year following the City's acquisition of the system and its provision of service to the entire Southland service area, Southland Sanitation, Co. will close its ponds in accordance with all applicable governmental regulations.

That approximate 100-acre area outlined on the attached map will continue to remain served by Southland Sanitation, Co., subject to approval by the Arizona Corporation Commission, except that the City will enter into a subsequent agreement that provides for the following:

- Southland Sanitation, Co. will construct all sewer infrastructure in the area, to include one or more pump stations. Infrastructure will be built to City development code standards.
- The sewer system will be connected to the City's system, and Southland Sanitation, Co. will pay the City the same per-house operation rate to treat the effluent within the service area.

Southland Sanitation, Co.  
November 8, 2005  
Page 2

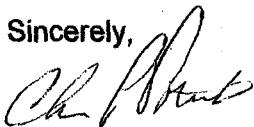
- Southland Sanitation, Co. will pay for all operation and maintenance costs of the infrastructure within the area, as well as for any and all pump station operational and replacement costs required to connect to the City's system.
- Southland Sanitation, Co. will agree that at such time as future sewer infrastructure allows for a gravity connection from this area, then Southland Sanitation, Co. will make the gravity connection at its sole expense, and the City will then accept donation of all sewer infrastructure for a nominal amount.
- The homes to be constructed within the area will all pay the City's regular initial sewer hook-up charge at the time a building permit is issued.

Subsequent to the formal purchase of the system, the City will provide sewer service to all other areas within Southland's service area.

My staff is currently working on a formal agreement for the system purchase, and will forward that to you for your review shortly. Once the agreement is finalized, I will place a resolution on the agenda of the Mayor and City Council for final approval. I have briefed the City Council on this issue previously.

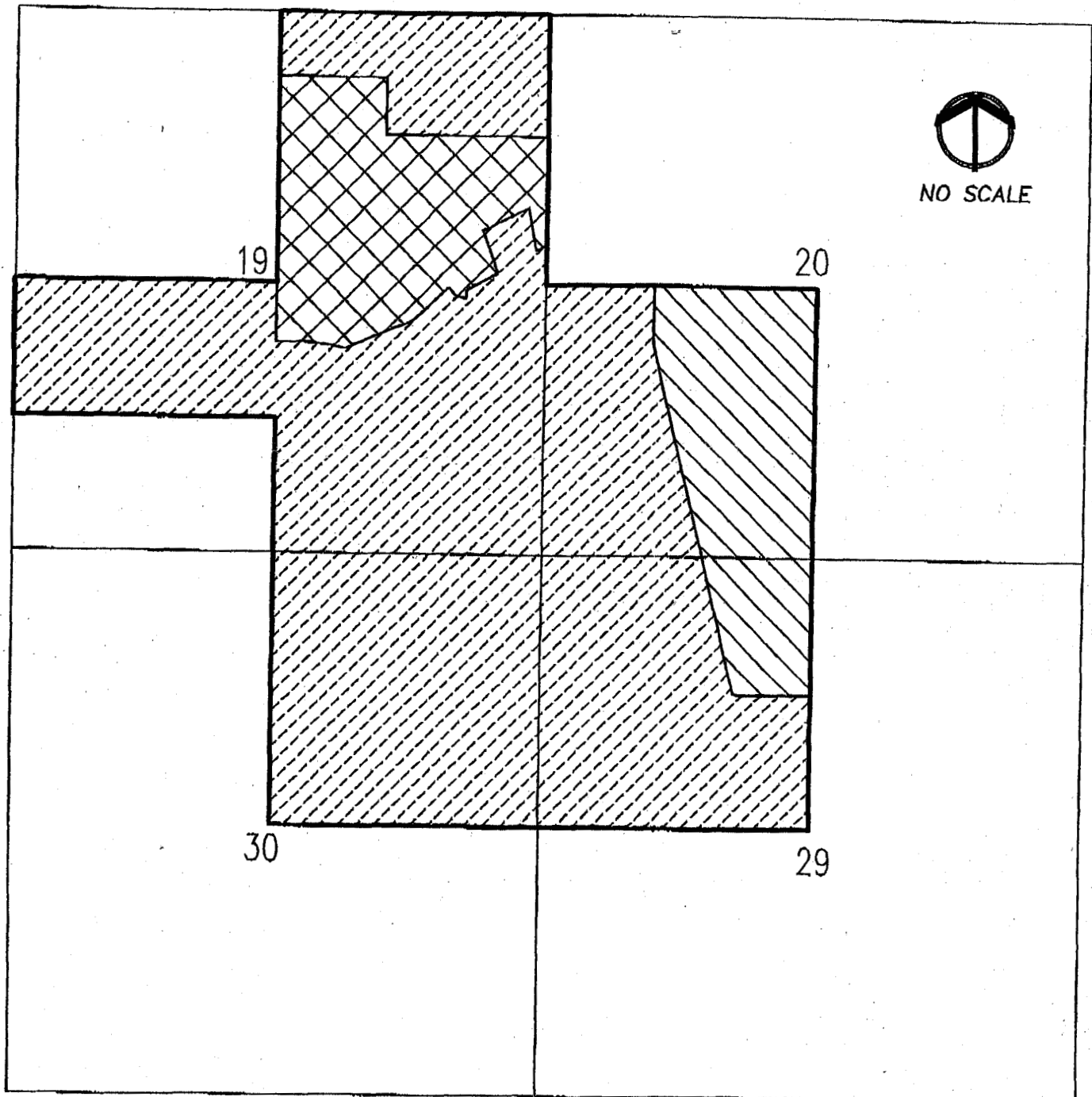
Please contact Assistant City Manager Mary Jacobs or me if you have any further questions or if you require additional information. I look forward to finalizing this agreement soon.

Sincerely,

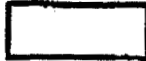


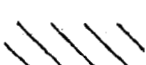


Charles P. Potucek  
City Manager

Copy: Mary Jacobs, Assistant City Manager  
Mike Hemesath, Public Works Director  
Stuart Fauver, City Attorney



SKETCH SHOWING EXISTING AND PROPOSED  
STATUS OF CC&N OF SOUTHLAND SANITATION  
COMPANY LOCATED IN PORTIONS OF SECTIONS  
19, 20, 29 AND 30, R-21-E T-22-S, G. & S.R.M.  
COCHISE COUNTY, ARIZONA

-  BOUNDARY OF ORIGINAL CC&N  
DOCKET No.U-2390-8181
-  PROPOSED DELETION FROM CC&N
-  DELETION FROM CC&N  
DOCKET No.SW-02390A-05-0097
-  PORTION OF CC&N  
TO BE RETAINED



Engineering and Environmental Consultants, Inc.  
4825 E. FT. LOWELL RD.  
TUCSON, ARIZONA 85712 520-321-4825  
CAD

EEC 203129